

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILING OF PHELPS)	
GAS COMPANY TO REVISE THE)	CASE NO. 91-135
GAS COST ADJUSTMENT CLAUSE)	

O R D E R

IT IS ORDERED that Phelps Gas Company ("Phelps") shall file the original and 12 copies of the following information with the Commission within 20 days from the date of this Order.

1. In reference to the Purpose of PGA Clause section, is Phelps aware that the stated purpose contained in its filing is incompatible with the rationale for an automatic adjustment clause as it pertains to the ratepayer? Explain.

2. Why is Phelps proposing to build in an automatic line loss provision using 95 percent of purchases as opposed to adjusting for actual line loss up to 5 percent?

3. Is it Phelps's proposal to change its rates monthly pursuant to recalculations of its actual adjustment? Explain.

4. What gas volumes would Phelps use in computing its actual adjustment? How will it know the "actual gas volume purchased" in each of the respective months of the next calendar quarter?

5. Provide a detailed sample calculation showing how the actual adjustment is proposed to be calculated.

6. a. Is Phelps planning to keep track of amounts collected through the actual adjustment so that further true-ups may be made if necessary?

b. If so, how would these true-ups be made and at what intervals?

7. Explain, in more detail, the purpose of the heating content adjustment. Is this, practically speaking, a part of the actual adjustment?

8. Is the heating content adjustment intended to compensate for changes in the BTU content of gas?

9. Provide a detailed sample calculation showing how the heating content adjustment is proposed to be calculated.

Done at Frankfort, Kentucky, this 11th day of July, 1991.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director